

COUNTY OF CHESTERFIELD, VIRGINIA

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: **unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **none noted**
- (c) Material weakness in internal control was disclosed by the audit of the financial statements: **none**
- (d) Noncompliance which is material to the financial statements: **none noted**
- (e) Reportable conditions in internal control over major programs: **Yes, 02-1 and 02-2**
- (f) Material weakness in internal control over major programs: **none**
- (g) The type of report issued on compliance for major programs: **unqualified opinion**
- (h) Any audit findings which are required to be reported under section 510(a) of OMB Circular A-133: **yes**
- (i) Major programs: **Head Start (CFDA Number 93.600), Foster Care (CFDA Numbers 93.658), Child Care Cluster (CFDA Numbers 93.575 and 93.596) and Food Stamp Cluster (CFDA Numbers 10.551 and 10.561)**
- (j) Dollar threshold used to distinguish between Type A and Type B programs: **\$981,472**
- (k) Auditee qualified as low-risk auditee under section 530 of OMB Circular A-133: **yes**

(2) Finding Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Relating to Federal Awards

02-1 Eligibility

Program – Food Stamp Cluster (CFDA Numbers 10.551 and 10.561)

Condition – Two of 60 participant applications were not signed by the applicant and five of 30 were not signed by the caseworker.

Criteria – Per the Food Stamp Cluster section of the A-133 Compliance Supplement, “the application process includes completing and filing an application form, being interviewed and having certain information verified.”

Effect – The lack of a signed application gives no indication that the complete set of application procedures were performed as required. Accordingly, non-compliance with grant requirements could result in reduced funding for this program.

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Questioned Cost – Undeterminable.

Recommendation – The County should emphasize procedures to ensure that participant applications are complete prior to processing them into the program.

02-2 Allowable Costs

Program – **Food Stamp Cluster (CFDA Numbers 10.551 and 10.561) and Foster Care (CFDA Numbers 93.658)**

Condition – Four of 30 random moment sampling forms were not signed by the supervisor and three of 30 were either not signed timely or were signed before the supervisor made the time observation.

Criteria – OMB A-87 Attachment B section (11)(h) states:

4. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency.
6. Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.

Effect – Non-compliance with grant requirements could result in reduced funding for this program.

Questioned Cost – Undeterminable.

Recommendation – The County should emphasize procedures to ensure that all random moment sampling procedures and forms are properly performed and documented.